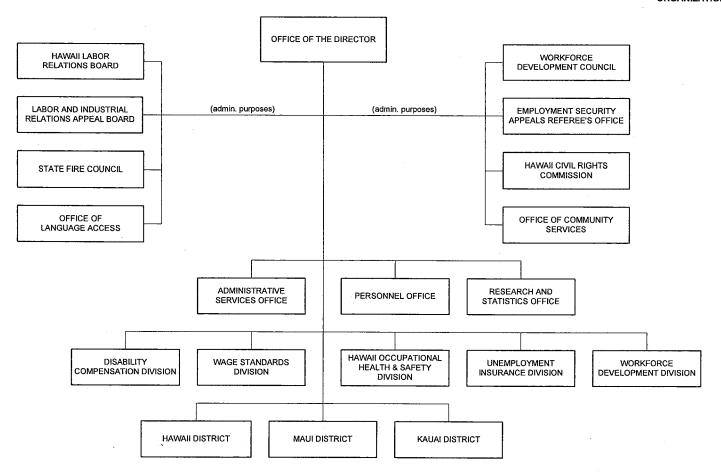


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STATE OF HAWAII DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS ORGANIZATION CHART



DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS MAJOR FUNCTIONS

- Administers federal and state programs designed to improve the economic security, occupational safety and health, working conditions, and productivity of workers, and maintain favorable labor-management relationships throughout the State.
- Administers comprehensive employment and training services to both job seekers and employers through a system of employment offices located statewide.
- Administers the State Unemployment Insurance program. Ensures that fair hearings before impartial appeals referees are provided to employers and claimants with respect to determinations made by the department regarding unemployment insurance benefits, disaster unemployment insurance, and other security decisions.

- Administers and enforces that State's occupational safety and health laws.
- Administers all activities pertinent to the management of the Workers' Compensation, Temporary Disability Insurance, and Prepaid Health Care laws and programs.
- Administers and enforces State labor laws dealing with wages and other compensation, hours, child labor, family leave, and related rules and regulations.
- Conducts program, labor market, and economic research to augment and enhance management decisions and policy making capabilities.
- Provides oversight, consultation, and technical assistance to state agencies on language access requirements.

MAJOR PROGRAM AREAS

The Department of Labor and Industrial Relations has programs in the following major program area:

Employment			
LBR 111	Workforce Development Program	LBR 316	Office of Language Access
LBR 135	Workforce Development Council	LBR 812	Labor and Industrial Relations Appeals Board
LBR 143	Hawaii Occupational Safety and Health Program	LBR 871	Employment Security Appeals Referees' Office
LBR 152	Wage Standard Program	LBR 901	Data Gathering, Research and Analysis
LBR 153	Hawaii Civil Rights Commission	LBR 902	General Administration
LBR 161	Hawaii Labor Relations Board	LBR 903	Office of Community Services
LBR 171	Unemployment Insurance Program	LBR 905	Hawaii Career (Kokua) Information Delivery System
LBR 183	Disability Compensation Program		Carona, micrimation bonvoly bystom

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS Department Summary

Mission Statement

To increase the economic security, physical and economic well being and productivity of workers and achieve industrial peace.

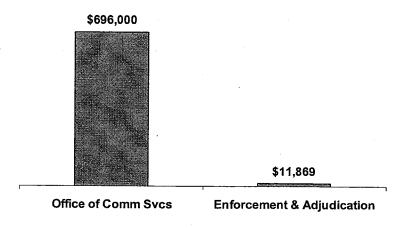
Department Goals

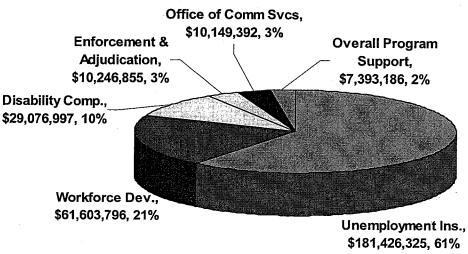
To promote access to employment and assess the needs and skills of the workforce; to alleviate the economic hardship of workers during periods of disability or temporary unemployment; to protect the employment rights of workers and to assure a safe and healthy workplace; to develop, deliver and coordinate information to meet labor market supply and demand; and to promote the harmonious working relationship between business, labor, educators, and government agencies.

Significant Measures of Effectiveness	FY 2008	FY 2009
1. Percentage of job applicants who found jobs.	56	56
2. Percentage of federally-mandated reports that meet deadlines.	99.	99

FY 2009 Supplemental Operating Budget Adjustments by Major Program

FY 2009 Supplemental Operating Budget





Department of Labor and Industrial Relations (Operating Budget)

		Act 213/2007 FY 2008	Act 213/2007 FY 2009	FY 2009 Adjustments	Total FY 2009	
Funding Sources:	Positions	266.14	266.14	-0.50	265.64	
General Funds	\$	19,881,509	18,159,145	65,000	18,224,145	
		8.00	8.00	0.00	8.00	
Special Funds		197,108,379	197,108,379	0	197,108,379	
		434.10	434.10	0.00	434.10	
Federal Funds		80,207,787	80,207,814	0	80,207,814	
Interdepartmental	l Transfers	3,663,344	3,663,344	642,869	4,306,213	
Revolving Funds		50,000	50,000	0	50,000	
		708.24	708.24	-0.50	707.74	
Total Requirements	_	300,911,019	299,188,682	707,869	299,896,551	

Highlights of the Executive Supplemental Budget Request: (general funds unless noted)

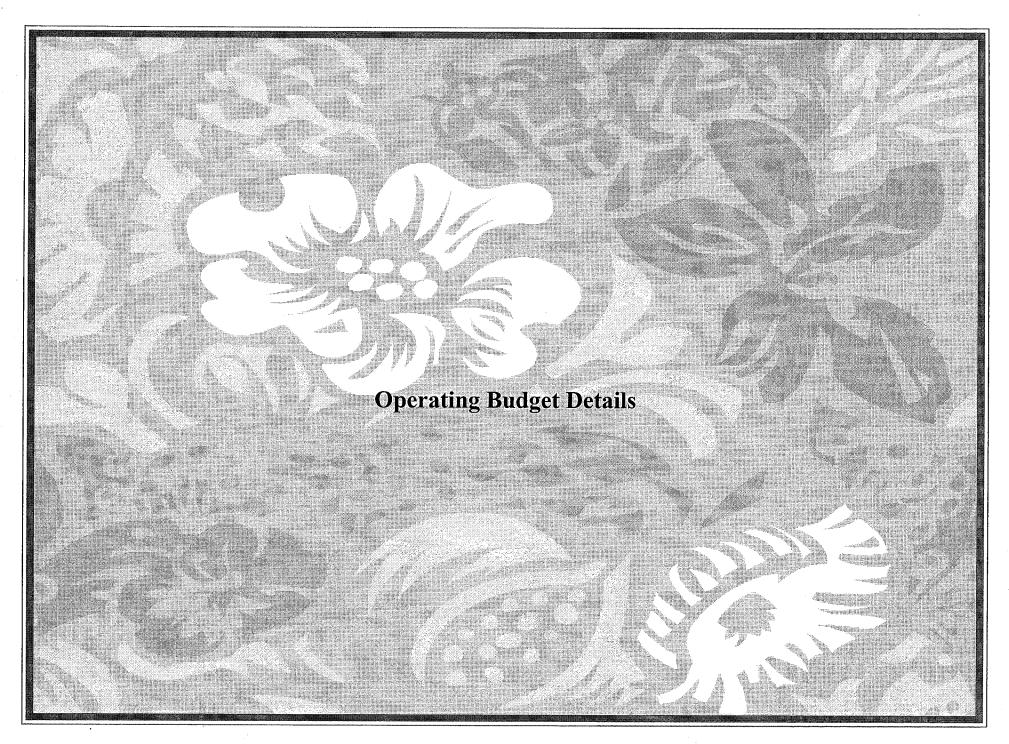
- 1. Reduced (0.5) permanent position for Wage Standards Program for vacant/unfunded Clerical Supervisor position (position no. 0067).
- 2. Increased Office of Community Services' Employment Core Services Programs for Low-Income Persons and for Immigrants by \$696,000 interdepartmental transfer from the Department of Human Services' federally funded Temporary Assistance to Needy Families Program.
- 3. Reduced (1.0) temporary interdepartmental position and funds from Department of Accounting and General Services, Public Works Division (Capital Improvement Program) for Wage Standards Program for vacant Labor Law Enforcement Specialist (position no. 52283).

Department of Labor and Industrial Relations (Capital Improvements Budget)

	Act 213/2007 FY 2008	Act 213/2007 FY 2009	FY 2009 Adjustments	Total FY 2009
Funding Sources: General Obligation Bonds	4,786,000	Ω	<u> </u>	0 0
Total Requirements	4,786,000	0		0 0

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted) None.

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EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

REPORT S61-A PAGE 285

PROGRAM ID:

LBR-

PROGRAM STRUCTURE NO: 02

PROGRAM TITLE:

EMPLOYMENT

		FY 2008			FY 2009		DIENNI	W TOTAL C	*
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	JM TOTALS RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	708.24*	*	708.24*	708.24*	50*	707.74*	······································	·	
PERSONAL SERVICES	52,000,786		52,000,786	52,096,100	26,333	52,122,433	104,096,886	104,123,219	
OTH CURRENT EXPENSES	248,827,428		248,827,428	247,087,777	681,536	247,769,313	495,915,205	496,596,741	
EQUIPMENT	82,805		82,805	4,805		4,805	87,610	87,610	
TOTAL OPERATING COST	300,911,019		300,911,019	299,188,682	707,869	299,896,551	600,099,701	600,807,570	.1
BY MEANS OF FINANCING		·	,						
DI HEARS OF FINANCING	266.14*		266.14*			San 2. 9			
GENERAL FUND	19.881.509	•	19,881,509	266.14* 18,159,145	50*	265.64*	*	*	
	8.00*	w.	8.00*	8.00*	65,000	18,224,145	38,040,654	38,105,654	
SPECIAL FUND	197,108,379	•	197,108,379	197,108,379	*	8.00* 197,108,379	*	*	
	434.10*	*	434.10*	434.10*	•	434.10*	394,216,758	394,216,758	
OTHER FED. FUNDS	80,207,787	·	80,207,787	80,207,814		80,207,814	160,415,601	160,415,601	
INTERDEPT. TRANSF	*	*	*	*	*	*	*	*	
INTERDEPT. TRANSF	3,663,344		3,663,344	3,663,344	642,869	4,306,213	7,326,688	7,969,557	
REVOLVING FUND	50,000 [*]	*	50,000	50,000	*	50,000 50,000	100,000	100,000	
CAPITAL INVESTMENT				_					
PLANS	1,000		1,000			: ,	1 000		
LAND ACQUISITION	2,000		2,000				1,000	1,000	
DESIGN	6,000		6,000	•		į	2,000 6,000	2,000	
CONSTRUCTION	4,776,000		4,776,000				4,776,000	6,000 4,776,000	
EQUIPMENT	1,000	<u> </u>	1,000				1,000	1,000	
TOTAL CAPITAL COSTS	4,786,000		4,786,000				4,786,000	4,786,000	
BV MEANS OF FINANCING								98 2 5=========	
BY MEANS OF FINANCING G.O. BONDS	4,786,000		4,786,000			1	4,786,000	4,786,000	
OTAL POSITIONS	708.24*	*	708.24*	708.24*	- . 50*	707.74*		· •	
OTAL PROGRAM COST	305,697,019 ====================================	======================================	305,697,019	299,188,682	707,869	299,896,551	604,885,701	605,593,570	• :
			1						

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

PROGRAM ID:

LBR-903

PROGRAM STRUCTURE NO: 020104

PROGRAM TITLE:

OFFICE OF COMMUNITY SERVICES

REPORT S61-A PAGE 290

		FY 2008	-		FY 2009	! `_	BIENNIU	M TOTALS	
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	6.00*	*	6.00*	6.00*	*	6.00*	*	*	*
PERSONAL SERVICES	1,151,241		1,151,241	1,151,241		1,151,241	2,302,482	2,302,482	
OTH CURRENT EXPENSES	10,041,802		10,041,802	8,302,151	696,000	8,998,151	18,343,953	19,039,953	
TOTAL OPERATING COST	11,193,043		11,193,043	9,453,392	696,000	10,149,392	20,646,435	21,342,435	3.37
BY MEANS OF FINANCING			· · · · · · · · · · · · · · · · · · ·						
	4.00*	*	4.00*	4.00*	*	4.00*!	*	*	•
GENERAL FUND	5,336,564		5,336,564	3,596,913		3,596,913	8,933,477	8,933,477	•
	2.00*	· *	2.00*	2.00*	*	2.00*	*	*	*
OTHER FED. FUNDS	5,856,479		5,856,479	5,856,479		5,856,479	11,712,958	11,712,958	
INTERDEPT. TRANSF			İ	, ,	696,000	696,000	,,	696,000	
CARTAL THURSTHEN			•						
CAPITAL INVESTMENT PLANS							п		
LAND ACQUISITION	1,000		1,000				1,000	1,000	
DESIGN	2,000		2,000				2,000	2,000	
CONSTRUCTION	6,000		6,000				6,000	6,000	
EQUIPMENT	4,776,000 1,000		4,776,000				4,776,000	4,776,000	
EGOTTHENT	1,000		1,000				1,000	1,000	
TOTAL CAPITAL COSTS	4,786,000		4,786,000				4,786,000	4,786,000	
BY MEANS OF FINANCING			·			waji ili Taran			
G.O. BONDS	4,786,000		4,786,000			1	4,786,000	4,786,000	
TOTAL POSITIONS	6.00*	*	6.00*	6.00*	*	6.00*			
TOTAL PROGRAM COST	15,979,043		15,979,043	9,453,392	696,000	10,149,392	25,432,435	26,128,435	2.74

Narrative for Supplemental Budget Requests FY2009

Program ID: LBR 903

Program Structure Level: 02 01 04

Program Title: OFFICE OF COMMUNITY SERVICES

A. Program Objective

To provide Employment Core Services (ECS) for Low-Income Persons (LIP) and Immigrants (IMM) who are at or below 150% of the Federal Poverty Guideline. The Office of Community Services (OCS) will contract with selected service providers for these services, with the goal of helping the client obtain and maintain employment for at least one year.

B. Description of Request

OCS requested additional funding to provide ECS to additional, unduplicated clients not currently being served due to limited budget allotments. Establishment of an Interdepartmental Transfer (U) fund, if approved, would allow OCS to use funds obtained through Temporary Assistance to Needy Families (TANF) and Title XX reimbursements, up to \$696,000, for ECS. OCS and its ECS-LIP service providers perform the work that allows the State to obtain the federal reimbursements through the State Department of Human Services.

OCS has implemented an innovative, performance-based system that tracks client outcomes and pays the service provider only upon completion of predetermined milestones. All additional funding paid to service providers will be backed by documented client achievement. If client achievements are not met, all remaining funds will simply lapse to the State General Fund.

C. Reason for Request

In FB 2008-2009, the total funds requested by applicants for the ECS-LIP and ECS-IMM Request for Proposals far exceeded the funding amounts available. Many agencies were not funded, and most of the agencies receiving contracts were not funded at the amount requested in their applications.

In FB 2006-2007, several service providers earned their maximum funding well before the end of the contract period and continued to report client achievements that could not be charged above the contract amount. As we enter the second biennium of the performance-based system, we anticipate most of the providers will exceed their budgeted outcomes.

D. Significant Changes to Measures of Effectiveness and Program Size

The additional \$464,000 in funding to the ECS-LIP program will result in at least 300 more low-income persons being provided employment preparation services. Of the 300 clients, 108 are expected to maintain employment for a period of at least one year.

The additional \$232,000 in funding to the ECS-IMM program will result in at least 150 more immigrants being provided employment preparation services. Of the 150 clients, 54 are expected to maintain employment for a period of at least one year.

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

REPORT S61-A PAGE 294

PROGRAM ID:

LBR-152

PROGRAM STRUCTURE NO: 020202

PROGRAM TITLE:

WAGE STANDARDS PROGRAM

		FY 2008		FY 2009!			BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING PERSONAL SERVICES OTH CURRENT EXPENSES	24.50* 1,271,725 37,895	*	24.50* 1,271,725 37,895	24.50* 1,271,725 37,895	50* 38,667- 14,464-	24.00* 1,233,058 23,431	2,543,450 75,790	2,504,783 61,326	*
TOTAL OPERATING COST	1,309,620		1,309,620	1,309,620	53,131-	1,256,489	2,619,240	2,566,109	2.03-
BY MEANS OF FINANCING									
GENERAL FUND	24.50* 1,256,489	*	24.50* 1,256,489	24.50* 1,256,489	50*	24.00* 1,256,489	* 2,512,978	* 2,512,978	*
INTERDEPT. TRANSF	53,131	*	53,131	53,131	* 53,131-	*	106,262	53,131	*
TOTAL POSITIONS TOTAL PROGRAM COST	24.50* 1,309,620	*	24.50* 1,309,620	24.50* 1,309,620	50* 53,131-	24.00* 1,256,489	2,619,240	2,566,109	2.03-

Narrative for Supplemental Budget Requests FY2009

Program ID: LBR 152

Program Structure Level: 02 02 02

Program Title: WAGE STANDARDS PROGRAM

A. Program Objective

To assure workers of their lawful rights and benefits related to their wages; to safeguard against unlawful employment practices; and to promote voluntary compliance by educating and assisting employers.

B. Description of Request

This request deletes General-funded Position #67, Clerical Supervisor III (.50 FTE permanent) and Interdepartmental Transfer (U) funded Position #52283T, Labor Law Enforcement Specialist I (1.00 FTE temporary).

C. Reason for Request

Since the last biennium, both positions have been unfunded and therefore unfilled.

D. Significant Changes to Measures of Effectiveness and Program Size

No significant changes to the Measures of Effectiveness and Program Size are anticipated because the positions have not been filled due to lack of funding

EXECUTIVE SUPPLEMENTAL BUDGET (IN DOLLARS)

PROGRAM ID:

LBR-812

PROGRAM STRUCTURE NO: 020302

PROGRAM TITLE:

LABOR & INDUSTRIAL RELATIONS APPEALS BOARD

REPORT S61-A PAGE 300

PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	FY 2009 ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	M TOTALS RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING PERSONAL SERVICES OTH CURRENT EXPENSES	12.00* 703,389 59,177	*	12.00* 703,389 59,177	12.00* 703,389 59,177	é5,000 [*]	12.00* 768,389 59,177	1,406,778 118,354	1,471,778 118,354	*
TOTAL OPERATING COST	762,566		762,566	762,566	65,000	827,566	1,525,132	1,590,132	4.26
BY MEANS OF FINANCING						•	C.		
GENERAL FUND	12.00* 762,566	*	12.00*; 762,566	12.00* 762,566	* 65,000	12.00* 827,566	* 1,525,132	* 1,590,132	*
TOTAL POSITIONS TOTAL PROGRAM COST	12.00* 762,566	*	12.00* 762,566	12.00* 762,566	* 65,000	12.00* 827,566	1,525,132	1,590,132	4.26

Narrative for Supplemental Budget Requests FY2009

Program ID: LBR 812

Program Structure Level: 02 03 02

Program Title: LABOR & INDUSTRIAL RELATIONS APPEALS BOARD

A. Program Objective

To assure equitable treatment of individuals through the prompt, just and inexpensive determination of appeals from decisions of the Director of Labor and Industrial Relations relating to certain programs, primarily Workers' Compensation and Boiler and Elevator Safety.

B. Description of Request

The Board has a partially funded hearings officer position. The Board is seeking additional funds to fill the position so that the position can be filled on a full-time basis.

C. Reason for Request

The Board's primary duty is to conduct contested case hearings pursuant to the Hawaii Administrative Procedures Act, Chapter 91, Hawaii Revised Statutes, for Workers' Compensation and Boiler and Elevator Safety matters. The activity performed by the Board does not vary much from year to year, but the number of cases appealed can fluctuate significantly. In the last year, the rate of appeals increased due to a change in administrative policy and an increase in the number of cases processed. The Board has faced this additional workload without adding support staff. Presently, the average turnaround time for cases on appeal is approximately one year, determined by a combination of the Board's work schedule and the desire of the parties litigant to set briefing and

discovery schedules on a case-by-case basis. The Board's current pending caseload has increased by approximately 150 in the last year, despite an increase in the number of cases processed by the Board. The Board's table of organization has a Hearings Officer position that has not been fully funded. Fully funding the Hearings Officer position would allow scheduling expedited hearings on certain types of appeals, primarily those involving controversies over an injured worker's eligibility for current service benefits. In addition, a full-time position would be able to reduce the number of pending appeals, and at the current workload applicable to workers' compensation claims adjusters, it is anticipated that reduction in the number of pending appeals could be accomplished at the rate of approximately 75-100 cases per year.

D. Significant Changes to Measures of Effectiveness and Program Size

The Board anticipates the full-time Hearings Officer will allow the Board to conduct more hearings and shorten the time to resolve cases on appeal.

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